VOTE NO: H.R. 7309

WHERE REPUBLICANS STAND:

Our nation's workforce development system needs forward-looking changes if it is going to serve job seekers and employers and help grow the American economy. Commonsense Republican solutions would:

- **Prepare workers for a 21st century economy** by allocating more funds for worker upskilling and promoting a competitive marketplace for postsecondary education.
- **Empower employers** to respond to local economic needs.
- **Streamline the workforce development system** by increasing local collaboration and putting program qualification decisions at the state and local level.
- **Strengthen outcomes and accountability** by adding evidence-based practices, maintaining common performance-based metrics, and improving transparency measures.
- **Reduce bureaucracy** by requiring the Department of Labor to address regulatory bottlenecks.

BACKGROUND:

- As the nation's primary workforce development law, the *Workforce Innovation and Opportunity Act* (WIOA) is intended to help job seekers obtain the skills they need for successful careers and help employers access the talent they need to grow their businesses.
- While the 2014 WIOA reauthorization took significant steps to inject positive reform into the workforce development system, more is required to modernize the system so that it achieves these goals.
- Unfortunately, H.R. 7309, the *Workforce Innovation and Opportunity Act of 2022*, lacks the necessary reforms to help America's workers and job creators reach success.

DEMOCRATS THINK THEY KNOW BEST:

- H.R. 7309 limits input from employers and expands union representation on state and local workforce boards.
- Democrat policies encourage draconian "job quality" measures.
 - These measures are a backdoor for labor policy outcomes Democrats haven't been able to achieve elsewhere, such as **denying contracts** to businesses because of **alleged violations of labor laws.**
- Courts already struck this down during the Obama administration because it trampled on Americans' due process rights.

HIGH PRICE TAGS & LOW PAYOFFS:

- H.R. 7309 significantly increases authorization levels and expands supportive services, which risks turning the workforce system into a welfare program.
- Where does federal funding go?
 - **Taxpayers spent \$1.8 billion** in FY 2021 on adult, dislocated worker, and youth activities under Title I of WIOA.
 - According to the Department of Labor, only \$537 million, or less than 30 percent, of funds went toward "training services."
 - Republicans proposed increasing the percentage of funds allocated to skills development programs, but the Democrats' bill does nothing to ensure more of the funding is dedicated to educating job seekers.
- H.R. 7309 will **increase costs to taxpayers** by requiring Job Corps contractors to comply with **onerous local prevailing wage requirements.**
- Many current workforce development programs fail to provide enrollees with the necessary skills to meet industry needs.
 - Less than one-quarter of young enrollees and barely one-third of adults exited programs with employment related to the workforce development program in which they were enrolled.

TOO LITTLE INNOVATION:

- Biden wanted to be the next FDR—that means **reviving Depression-era policies.** The bill:
 - o Introduces wage controls, which could eliminate millions of entry-level jobs.
 - Doubles down on the Great Depression-era registered apprenticeship system and restricts or eliminates employer-based apprenticeships.
 - o Rejects proposals to expand employer-driven reskilling and upskilling activities.
- H.R. 7309 places additional unnecessary burdens on skills development providers, which will drive providers away from the system.
- It expands Job Corps eligibility while also weakening expectations for Job Corps success.
 - This is a program in which 30 different government reports and audits have raised concerns over its safety and security.

A RADICAL PROGESSIVE AGENDA:

• H.R. 7309 promotes progressive gender ideology and critical race theory by requiring states to develop and publish state equity reports regarding performance outcomes on race, ethnicity, sexual orientation, and gender identity.

BOTTOM LINE: H.R. 7309 fails to protect taxpayers at a time of rampant inflation, pushes a radical progressive agenda, expands federal control over the workforce, and embraces the failed status quo rather than pursuing opportunities for innovation.